

AGENDA

SPECIAL MEETING BOARD OF MAYOR AND ALDERMEN IN JOINT SESSION WITH THE BOARD OF SCHOOL COMMITTEE (RE: FY 2014 PROPOSED BUDGET HEARING)

April 01, 2013

6:00 p.m.

Mayor Gatsas called the meeting to order.

Mayor Gatsas called for the Pledge of Allegiance this function led by Alderman Craig.

A moment of silence was observed.

The Clerk called the roll.

Present: Aldermen Craig, Ludwig, Long, Roy, Osborne, Corriveau, O'Neil,
Levasseur, Shea, Shaw, Greazzo, Gamache
Committeemen Ambrogi, Stewart, Shoults, Bergeron, Gelinas,
Connors, Cooper, Staub, Wihby
Alderman Arnold arrived late

Absent: Alderman Katsiantonis, Committeemen Gagnon-Langton, Rokas,
Beaudry, Avard, Beauchamp

Mayor Gatsas advised that the purpose of the special meeting is a public hearing to receive comments on the proposed Fiscal Year 2014 municipal budget, the proposed Community Improvement Program for the Fiscal Year 2014 period in accordance with the procedures established in RSA 44:10 and in satisfaction of any other local, state or federal law that may apply. The Clerk shall present the resolutions, the subject of which contain all of the appropriations as proposed, following which a brief presentation may be made and public comments will be heard.

The Clerk presented the proposed Resolutions:

“Appropriating to the Parking Fund the sum of \$5,000,000 from parking revenues for the Fiscal Year 2014.”

"Appropriating the sum of \$13,229,048 from Sewer User Rental Charges to the Environmental Protection Division for the Fiscal Year 2014.”

“Appropriating the sum of \$2,130,115 from Recreation User Charges to the Recreation Division for the Fiscal Year 2014.”

“Appropriating to the Manchester Transit Authority the sum of \$1,080,536 for the Fiscal Year 2014.”

“Appropriating to the Manchester School District the sum of \$155,724,449 for the Fiscal Year 2014.”

“Appropriating all Incremental Meals and Rooms Tax Revenue Received by the City in the Fiscal Year 2014 and held in the Civic Center Fund, for the payment of the City’s Obligations in Said Fiscal Year under the Financing Agreement.”

“Appropriating to the Manchester Airport Authority the sum of \$47,887,649 from Special Airport Revenue Funds for the Fiscal Year 2014.”

“Appropriating to the Manchester School Food and Nutrition Services Program the sum of \$5,796,000 from School Food and Nutrition Services Revenues for the Fiscal Year 2014.”

“Raising Monies and Making Appropriations of \$134,970,938 for the Fiscal Year 2014.”

“Appropriating to the Central Business Service District the sum of \$258,000 from Central Business Service District Funds for the Fiscal Year 2014.”

“Continuation of the Central Business Service District.”

“Authorizing the Finance Officer to utilize surplus funds from the Fiscal Year 2013 budget to fund a prepayment of \$750,000 for Fiscal Year 2014 City pension costs.”

“Authorizing the Finance Officer to transfer \$130,431 from the Special Revenue Reserve Account to the Parking Division in Fiscal Year 2013 to reimburse the Parking Division for Fiscal Year 2014 debt service associated with the Hampshire Plaza parking garage.”

Mayor Gatsas advised that the meeting shall be open to public comments; each person when recognized shall come to the nearest microphone, state their name and address in a clear and loud voice for the record; each person shall be given one opportunity to speak and comments shall be limited to three minutes to allow all participants the opportunity to speak; residents and taxpayers shall be called upon first followed by all others; once all present have been allowed to speak should

there be a topic not discussed those wishing to speak a second time shall be provided the opportunity to do so.

Mr. Win Hutchinson, 386 Orange Street, stated good evening, Mayor Gatsas and board members. I want to make several points on the budget this evening and I thank you for allowing me the opportunity to speak. Under the law, there is a budget that conforms to the provisions of the tax cap. If we expect them to do otherwise, it will be contrary to the law that requires him to do so. I hear a great deal of discussion that it is the tax cap that causes the problem restricting needed funding for City departments and our schools. I would like to point out that the aldermen have the ability and the right and the obligation to override the tax cap, if they believe that the additional taxes are necessary. All that is required is political will and the intestinal fortitude to do so. I believe that many problems that we currently have is self-brought. If all of the employees would have accepted a give-back on the benefit package, as some of the City employees did last year, we would have enough staff to avoid overcrowding that we are now experiencing. I also understand that there are some teachers who would work a sixth period for extra pay; however, the bargaining unit would not allow them under work rules. If you do the math, for every five teachers who do that, you get a full-time qualified teacher. Lastly, I think I speak for some in the large group of retired fixed income people who own property in Manchester, when I say, enough already. It is time to find some common ground. This cannot continue to be an us versus them contest. We need creative and outside the box solutions, not political posturing. We need all municipal employees to stand up and be public servants, not just employees. This is a wonderful city and we need all of us to make it work. So get to work. Do your job. The taxpayers are watching. Thank you.

Ms. Lisa Swank, 130 Erie Street, stated good evening. During my 32 years, of full-time employment, I have witnessed a fair number of terminations, including my own when defense spending went down in the early nineties. Some situations are more difficult than others and all are unfortunate. Because the City of Manchester has a large number of employees, it is likely that more personnel issues that must result in terminations will arise. Having said this, I understand that contracts need to be honored and employees need to be treated with respect, compassion and dignity. Taxpayers also need to be treated with compassion, dignity. In my neighborhood, the average family pays \$3,972.37 a year in taxes. These are real hard-working people; nurses, electricians, engineers, postal workers, firefighters, teachers, and small business owners and there is also a large

population of retired people on fixed incomes. That is why I find it so hard to come to terms with paying the principal of West High School close to a year's salary to stay home. Every two-weeks the entire tax revenue from one home is lost. A real person sent in his hard-earned wages to the City, just to be handed over to the vacationing employee. When you add \$100,000 for the investigation, there goes the entire tax revenue from an additional 25 families. What value do we get for this expense? Forty families saw their tax dollars wasted for the entire year. Not one child was educated with this money. Not one teacher brought home a hard-earned paycheck. This money is simply forever gone and lost. Going forward you need to find a way to protect the children, the employees of the City, along with the taxpayers, when negotiating future contracts. Realistically, issues will arise, again, between the employer and the employee. We don't even know what happens because everything is so super secret, but since no criminal charges were ever filed, I think the only crime is to the taxpayer. Thank you.

Mr. John Alexion, 110 Blackstone Street, stated good evening boards. I gave my all, I have nothing else to give. At one time, in my wallet, I used to carry a Ulysses Grant, Alexander Hamilton, Thomas Jefferson and Abraham Lincoln. Now all I have got are a couple of George Washingtons. Last time I looked in the wallet, they were both playing a game of pinochle with the lint that was leftover from my pants pocket. I empathize with special interests, who want the best for their children. To be honest, who doesn't? And also to be honest, it would be a perfect world if we could furnish the best, but this is far from a perfect world. While there are a lot of people out there who are earning great money, there is still a segment of this community that is barely holding on to life. Some of them are unemployed, like me. Some of them are underemployed and not earning what they used to be a few years back. Many of the demands that are being put on them at this time are unreasonable, unaffordable and unsustainable. I think you will agree with me that the country, the state and also the city was going through a recession and still is over the last few years. I can understand that many people want to call the aldermen, to increase the tax rate, and I really do empathize with them. However, they should be picking up their phone to contact their state representatives to find out why costs were downshifted. They should also pick up the phone and call the representatives in Washington, DC, to find out why the federal government is not following through on some of the obligations that they made. There are mandates that have been put on the local government, as well as the education system. People should be looking and contacting their local leaders tonight to find out what happened to all of the grant money that is getting dried up

and evaporating, as we speak. I just want to say this; both boards should look at prioritizing spending, instead of sitting in separate meetings and arguing like children in a sandbox. We don't need the squabbling about whose turf got walked on. The solution is not more spending. It is time for tougher contracts to save money. Negotiate sharper. Failed leadership creates runaway spending and I truly believe that and I think that many of you probably feel that as well. We can't afford raising, for example, the pay of a superintendent to \$170,000. Mr. Mayor, please get real.

Mr. Erik Drake, 1773 River Road, stated good evening. I have been a homeowner in Manchester for eleven years and I am the father of two sons in the school system. I felt compelled to speak today and I appreciate your time. As I watched the budget process with great concern, as the needs of our schools and our children, seem to be treated as an outcome of a mathematical budget process. I look at this issue, personally, from a business perspective. The goal of a business is not purely to cut costs or to hit an arbitrary budget. The goal of a business is to maximize profits by spending efficiently and by adding value. We are running our city and creating our budget in a process that appears to be focused solely on cutting costs. That is subsequently reducing value. That is not a healthy path for our city. Businesses with that focus eventually eliminate all costs and all profits by shutting down. I see a school system that is clearly under budgeted. I see a school system that is failing. That is not to say everything about our schools is bad. They clearly aren't. There is a lot of good work being done. My sons are doing very well thanks in part to the efforts of the many strong teachers at their school. As a whole, our schools are not providing our children an adequate education. I don't want just an adequate education for my children; I want a great education for my children. We are not allowing our educators or our students to excel to their potential because of what I see as short sided budget decisions. Success is not just about money. The money has to be spent efficiently, but if an adequate budget is not provided, that task is made tougher and the results of student testing prove this out. We should be debating how to best spend our money to increase performance; not how to best cut costs and programs. I see depressed home values in Manchester. It is impossible to have conversations without parents, regardless of politics, regardless of philosophies, where the mutual concern of education is not discussed. These discussions quickly transition to, unfortunately, thoughts and plans of moving out of Manchester to a better school system. I do not want to move out of Manchester and neither do my friends, but we are forced to consider and explore these options with increasing

concern as the school and budget issues worsen. On a macro level, having people considering leaving the city because of educational concerns and other folks not coming to the city, that causes depressed home values. I had the opportunity to grow up in the opposite situation where a great school system increased the home values rapidly. I am afraid that I am seeing the complete opposite occur in Manchester. So I ask you, the leaders of our city, to not look at this process purely as a cost cutting process or a zero sum gain. Instead, as leaders, your job is to determine how to maximize the value of our city. I would suggest that a strong commitment to our schools will better our future and benefit our wallets.

Mr. Chris Conrad, 177 Currier Drive, stated I have been a resident here for over 20 years. Before I read my statement I just want to take a moment to say thank you to all of the administrators and teachers at Hillside and Central. Everyday they go above and beyond the call of duty and my wife and I are grateful for their dedication and ongoing efforts. Once again, you are faced with a difficult decision on how to fund the Manchester School District. My guess is better than half of your constituents could care less about our school system and the challenges the schools have faced due to the tax cap. I would hope that each of your constituents care about their home, the city of Manchester and the value of their home. If we are lucky they care about the overall health of our city and whether or not our city is thriving. I hope your constituents are watching because in reality I do not believe you are faced with a difficult decision at all, with regards to our school budget. If they are paying attention, they know your decision to underfund our schools this past year has lead to numerous challenges and plenty of poor publicity for Manchester, some even on a national level. Our classes are overcrowded. The curriculum has been cut to accommodate the shortage of classes being offered and you even reduced the credits needed to graduate to cover the cuts as well. In the middle schools, our children previously had separate reading and writing classes. These separate classes were producing very positive results in the NECAP test scores. These classes are now combined into a single class. These are separate and distinct skills which are so critical for the rest of our students' lives and they have now been compromised by your cuts. Another cut at the middle schools this year in schools was foreign language. For the first time in many years foreign languages were not offered at the middle schools. I could go on and on with more examples of how our underfunded school system is failing our students, but I know you have already heard them all. While many of our constituents may not care about these issues, they should care that this failing school district is beginning to impact the overall health of our city. Property values continue to

decline, and we are less and less likely to be attractive to businesses and families moving to the area. The word is out that our school system is failing. Before I move on to other issues, I feel one more example, as to why your decision to properly fund our schools is an easy one. After years of the Manchester School District servicing Hooksett and Candia, without major confrontation or issues, we are now facing legal actions and a possible separation. While I clearly feel that Hooksett and Candia have a right to expect the state minimums, the pettiness in which Hooksett and Manchester have both engaged each other, is just simply sad and embarrassing for all parties involved. But all of this could have been avoided by making proper decisions last year at this time. I would also like to call out leadership for the very recent smokescreens or diversions they have been employed in the following forms; investment in technology, such as purchasing i-pads and adding computer labs for VLAC, which currently sit idle at the Central library, as there is no one to supervise the area, and adjusting the school year calendar to reduce the year by a week. All of these diversions are futile and simply meant to reduce the attention from the issue at hand, which remains meeting the basic, fundamental needs of our students, which continue to suffer. When you evaluate the endless challenges we are facing as a school district, in this city, a city which is no longer thriving; a city which is viewed as a place not to move to because of our current situation of our school district, the difficult decision you are facing suddenly seems quite simple. Are you willing to make the call to override the tax cap, which in turn will have you serving your constituents, whether they care about our schools district or whether they just care about our community and making Manchester the thriving and great city it has been and wants to be again? Thank you for your time.

Mr. Stephen Manero, 220 Gingras Avenue, stated thank you for your time this evening. I am here tonight to speak to you about the direction of our city and how it is important to make the right decisions for our students and School District so our city can move forward instead of moving backwards. My family is proud to call Manchester our home since 2001. Through the years we have seen the schools do a very good job, as well as witness over the years a school district that was not funded appropriately. There were plenty of years where no teacher layoffs occurred but no one was hired to replace those retiring. Last year, there was not enough last minute money found and we had a reduction in our district of 118 FTEs. This year we have two budgets brought forward from the district, that being a tax cap budget and a budget that would bring our district to minimum state standards. It is imperative to approve the minimum state standards budget and do

it as soon as possible so the district can hire the best 41 teachers available to our district. Approving the budget at the end of June will only put us behind every district in the state in competing for the best teachers available. The issue I struggle with here is asking you to approve a budget that will get us to minimum standards. Maintaining minimum standards in a job, normally means your resume lists a new employer every year because minimum standards are just not acceptable. To put it simply, we must strive to achieve higher results. These higher results bring a greater sense of achievement and stability to all the things you do. We need you, our city leaders, to work together to move our city forward. On our School Board, we have people who seem to have no desire to improve the current situation. They are there simply to vote no and create a board that cannot work together and get anything done. Others won't compromise as they stick solely to their own agendas. So often with budget questions we hear, will you be able to show concrete results like a lower dropout rate and improved test scores. All I can say is just stop for a minute and think with common sense and ask, can someone do better teaching 25 students or 39? The answer is simple; better results come from teaching 25 students. Meanwhile, as you sit at City Hall and debate these questions, the facts show that Manchester's dropout rate has been in fact increasing over the past few years. When it comes to the Board of Mayor and Aldermen, you are hiding behind the tax cap. The tax cap is hurting our city and it is time our elected officials work together, as one, to solve our funding issues and if that means overriding the tax cap or doing away with it, then so be it. The fact is it is not just parents in Manchester asking for a solution to current education and problems facing our city, but the business community is as well. We have a thriving business community with businesses investing in our fine city. Let's show them our support by building a strong school district that helps them attract the best employees as residents of Manchester, not our surrounding communities. To Mayor Gatsas, you have the ability to make things work for the best. I hear many great things about you like seeing the congratulatory letters you send to the students achieving high academic standards. It shows you do care. But as chairman of both boards, we need you to excel as a leader, not a manager. I learned long ago that working and striving to be a manager that there were times to manage and times to lead and that employees mirror their leader. If you do not compromise, they will not. If you are not innovative, they will not be. If you do not listen to them and encourage them and if you do not promote cohesion, it will not happen. Please be the leader that the city needs and allow our schools to make our city strong and one where people want to bring their families or keep them here. All of our elected officials work together. Throw out the past and make

things happen. It is time that you all started working together. Show the citizens of Manchester that they made the right decision in electing you to office, by leading us into a stronger future. We, as citizens of Manchester, look forward to seeing you support the budget our schools need to meet at least the minimum state standards. Thank you.

Ms. Leslie Want, 623 Belmont Street, stated first I want to thank you all for being here. First thing I want to acknowledge just how much progress has been made since last year. When you think last year these two boards couldn't even talk to each other let alone be in the same room. We had aldermen who weren't even sure they were allowed to call Dr. Brennan to a meeting to ask him questions last year. We have made some progress even though the money still isn't looking good, I think the process has definitely improved since last year, so I just want to first acknowledge that. Then I would also like to say that I was talking with a friend of mine about how underfunded our schools were. They were saying to me, how can that be because the schools look like they are getting a lot more money than the services side. I thought about that and on the services side, it does look like the schools are getting \$156 million and the City services are getting \$139 million and it does look like the lions share is going to the schools, but I think what a lot of us don't really realize is only \$83.6 million of what is going to the schools is coming from Manchester taxpayers. So you have to realize really the lions share is still going to the City side. It always has and it always will. If you look at other towns around; Nashua and Concord they will fund their city services and their schools about equally and we do not. The vast majority goes to City services. It is time that we take a look at that and ask ourselves what is important to our city. What is going to attract new people what is going to keep the people we have. I just would strongly encourage you to think about that. I would also like to remind you, I know I gave a handout to the School Board and the aldermen, that for less than one medium cup of coffee at Dunkin Donuts, per week, per household, we could make up the difference between the tax cap budget and the school approval budget where we will meet minimum, just minimum standards. I would really encourage you to think about that. That is less than \$0.24 a day per household. I would ask you to think about that. I know that to some people that the extra seems like too much, but I also know that if you override the tax cap, you can put a stipulation in there that allows for people who are financially stressed to be excused from that. You have the power and it is up to you. I would also like to point out that Manchester, while we are talking about tax burden, has the ninth lowest tax burden of any city in the entire United States of America. That is the

ninth lowest tax burden of any city in the United States of America. I would ask you to please ask our taxpayers for a little bit more so that our schools can be funded, if not fully funded to be funded to at least we could be funded to the minimum state standards. Just minimum state standards. It is scratching bottom but we have to start somewhere. Let's start at the bottom. Work our way up to the bottom and scratch the surface and meet minimum state standards. Please. Thank you.

Mr. Nick Want, 623 Belmont Street, stated good evening. What I wanted to do is present a little bit of data. There are a lot of questions out there. People get up and they have opinions. I think what we really need to do and what we are really asking the aldermen to do, any members of the city are asking people to look at the facts, understand the pertinence of the issues at hand and how they can affect us. So I am going to read a couple of excerpts from the State Board of Education meeting that occurred in February and the minutes from the last meeting, which we attended in March will come soon. "Manchester is already the New Hampshire community providing the lowest local support in terms of percentage on investment in education over and above state and federal supports. In our last communication to Superintendent Brennan, we were told 39 classes were over 30 students. Some of this has been reduced but it has not gone away completely." Further on they start talking about questions... "We are currently investigating statements made by the superintendent made last summer in a board meeting regarding possible Manchester practices effecting student count and reports to the state department for ADM purposes." In a recent legislative hearing, allegations were made and suggested that Manchester has been falsely reporting the student numbers. In the March meeting, the subject was brought up about referring this issue to the state attorney general. So the Citizens for Manchester Schools requested from the School District and we provided freely and open information regarding class sizes. I have the folder here. All of the School Board is aware that we have the data because they were copied on the data that was sent to us. So, in fact, the actual numbers reported 39; we have in the city of Manchester, currently, as of the 21st of March, 170 classes that fail to meet the state standard. That is the state standard of a maximum of 30 kids in a classroom. This page right here, list science classes. Now in a science class, you should have no more than 24. This page, which you may or may not be able to see, it can be submitted for reference, lists science classes at Hillside of 36, 34, 32, 31, 33. If there are any McLaughlin parents out there they should be outraged; their numbers are 37, 32, 37, 35 kids in the class. Southside has 36. So the question about adequately funding; we are not

even minimally funding. This city is at an absolutely crossroads right now. You were elected to oversee the future of the city of Manchester. While there are other services that need to be addressed, fundamentally and principally, if you have a poor education system, if the education system is not valued by the community the city will die. So right now we have come all the way down to the bottom. We are at a cliff. We cut so deep last year we lost 118 teachers. We need to start coming back up again. So the budget, as proposed by the School Board, the primary budget, meets the absolute minimum. It takes all of these numbers and moves them to 30. There are 170, 242 if you include all of the standards of classes that are out of compliance. It is unacceptable and you need to do something about it. Thank you.

Ms. Tammy Simmons, 142 Parker Street, stated I would like to thank all of you for taking time out of your busy lives to have to deal with all of this, but it is nice to have an opportunity to speak. I did want to start with what Mrs. Want had to say about 86% of the funding coming out of our city, as opposed to say the federal government or the state, whether you take the taxes out of my back pocket or you take the taxes out of my front pocket it is still my money. It doesn't matter which pocket you snatch it from. As far as that cup of coffee and that \$0.30 investment everyday, \$0.30 a day is \$110 a year. Before anybody asks me, or an unemployed neighbor or an elderly friend who is on a fixed income to cough up another \$110, I would like to ask the people who were here last year, all of those people who said they would gladly pay more, who want to invest in our schools and who will gladly pay more. So the School Board did the right thing and set up a mechanism to allow people to voluntarily donate to the schools, because they were happy to give money to the schools and a year later that fund has collected \$2,500 and change. That is despicable. If every parent in this city donated something and if all of those people who are so outspoken and are involved in all of these groups who want to tax people more and ask me to cough up more money, would put their money where their mouth is, we would have some more money. Before you steal it from me, or from my elderly neighbor, make sure you look inside yourself and you have put up what you said you would. Now about that spending cap, I happen to think that I would love you all to vote on it at least once. It will be fun. Because you know what? It is an election year and I don't have a whole lot on my plate for November. I think you should take a vote on it. I think we should line everybody up and see who believes that when the voters voted not once, but twice, to limit spending to lessen the cost of living that they meant anything other than

less than the cost of living. I think all 14 of you should decide I am either with the voters or I am against the voters and let the chips fall where they may. Thank you.

Ms. Tracy Bachert, 718 Bryant Road, stated first thing that I would like to comment on is that not everyone that is a citizen of Manchester is part of the Citizens for Manchester. Some of us are independent thinking citizens that shut our phones off that do not want to be grouped under the same umbrella and tuned out. Secondly, I would like to say how frustrated I am that we are here again four or five years in a row. I am not here to beg for any money. It doesn't do us any good. I think that is why the turnout is like it is this year, as opposed to last year, because we are tired of begging for money. My home budget, like most of the county, is almost as underfunded as the school budget. I know you can't get blood from a stone. I would like to see every penny that you have available go to the schools. I still have one in school and she is going to be there for a while. I would like to see every penny that you have go to the schools. I would also like to see some serious consideration into where the money that we do have is going. Many parents who discuss this in the schools, at home, at play dates, are not okay with hundreds of thousands of dollars going towards buying programs and curriculums like Everyday Math and Readers and Writers Workshop. We have a large pool of professional educated people, we like to call them teachers, who use creative ways to teach the same thing with equal or better results and the cost is included in their salary. We trusted them enough to hire them. Why do we not trust them enough to do what they were hired to do? These curriculums are not helping students, test scores or the morale amongst the staff. Let our teachers teach and we can save enough money to keep more of them. I have one who graduated from Memorial who did great. I have one who is Junior at Trinity because he didn't do so great at Memorial. Neither one of them used Everyday Math or Readers Writers Workshop and they went to McLaughlin knowing what they needed to know. I am very worried that my fourth-graders is not going to know what she needs to know when she gets there because of these fabulous programs. Maybe we should rethink what we are spending the money on, rather than just begging for more money. Thank you.

Mr. Bill Huguen, 210 Morning Glory Drive, stated I want to thank you for allowing the opportunity of allowing the public to come and address the budget. A few weeks ago I spoke about the concerns I have about my children's education, but also about the state of the city. At that time and since then other issues have come up that have me even more concerned about the next step and the

responsibility of supporting the children of the city and the future of Manchester, which are strongly connected. Initially I was concerned that instead of one budget being sent to the aldermen, two were sent. This inability to decide on a budget did lead me to have a momentary lack of confidence in our elected officials, but I had faith that cooler heads would prevail. More recently I participated in the superintendent search, by taking advantage of the opportunity to meet and ask questions of the candidates. Then I attended the evening session where the candidates expounded more about their credentials. Once again, I was dismayed when I saw in the newspaper that a decision could not be made on any of the candidates. I do applaud the stance taken to not just name someone to fill the position, but to not be able to find one qualified candidate after a nationwide search and a pool to close in on the nearly 80 qualified people, once again, shakes my confidence in the leadership and visions of the city. Now I read in today's paper that our high school drop-out rates have increased. I know you all read the papers and listen to the news and you know what state our city is in, but for those who don't, Manchester had 129 dropouts in 2009-2010 rising to 166 the following year and then 197 for 2011-2012. There is not even any consensus as to why the rates went up, with one principal blaming the economy and another citing the increasing dropout rate. So there seems to be a lack of communication happening as well. As a concerned parents and a taxpayer, I am more embarrassed at this point than mad, regarding the state of our city. I am beyond demanding or even asking at this point for your help. I am begging you that you fund the school system at least at the minimum standard level so that our children and our city can stop the academic bleeding we have experienced so that we can once again be looked at as the educational beacon, of the state, instead of the example of what not to be. This will attract businesses and jobs to our city. So please, once again, find a way to fund a budget that brings Manchester back to being the lead dog, not one that is constantly chasing its tail. Thank you for your time and your service.

Mr. Carl Hebert, 355 Bridget Street, stated Mr. Mayor, I will direct my comments to you, as the chair of both boards. I found myself thinking about you as I was looking at the posters in the hallway. They have these analogies from the science classes about a cell membrane and the structure of a human cell or an animal cell being alike and they use the analogy of a sports team or something else. One of the young students used it to be an animal cell is like the city of Manchester. It identified the nucleus as the place of leadership. This is where all of the directions come from and you being the head of both of these boards and you folks being the elected members of the boards, you are the nucleus.

Regardless of your political stripe, regardless of your philosophy on how you want to run your budget, you folks and you, Mr. Mayor, are charged with running this city and running the school system. It is incredibly sad where we are. You have heard me say this before. I can tell by a couple of the members that you have heard it enough that you don't even pretend to listen to some of us anymore. It is very sad. I am a proud product of Manchester public schools and I am not going to send my kids to these schools. I have pulled them out of these schools and I will be moving out of this town if things don't turn around because I don't want my property value to plummet. You are the leaders. You are the nucleus. You have to compromise. It is part of our democracy. You have to compromise. I see no solutions coming out of either of your two bodies. I just see squabbling. Everyone is stuck in neutral and revving their engine, trying to blame the other guy. You have to fix this. We don't meet minimum standards for the state of New Hampshire. It is shameful.

Mr. Peter Sorrentino, Milford Street, stated during this meeting and many times prior, many people spoke about keeping taxes in check and not increasing the burden. As well, others have spoken about the underfunded schools. The irony is they are both right. All you have to do is take your tax bill and compare it to the tax bill of any other city in the state. That's all you have to do. It's straight forward. Manchester city leaders, you, inflict taxpayers with the highest rate of taxes in support of city services in the entire state. With the same equalization rates and valuation rates and all the same data, you city leaders help the taxpayers out by burdening them less than any city in the state for schools. It is not rocket science. It is very clear; highest taxes in the state for city services; lowest taxes in the state for schools. How can this be? I have been coming to these meetings and speaking at this one every year for 12 years and I have watched the numbers carefully. You are in your second year of creating a tax cap based budget. In the four years prior to the tax cap being put in place, my taxes and the taxes for every citizen here property taxes have increase 22% in support of city services. Over those same four years they went down 2% in support of schools. What did we do two years ago? We locked them right at those positions. Now we can increase them by the same amount each year. Go back and look. It is very clear why we have a tax issue and why we have a school issue. The ramifications of this are great. We have witnessed dropout rates increase. Property values in New Hampshire are coming back up and the immediate towns are coming back up. New Hampshire property values have been lagging that increase. It is not happening. How much longer do people have to wait? I have been doing this for

12 years and things have actually gotten worse, not better. We see it over and over again. It's time to step up. It's time to look at the facts and say, why are we taxing people the highest in the state for part of what we do and the lowest rate for the lowest part. That's why you have these two bodies here today. Exactly that reason. Thank you.

Mr. Jim O'Connell, 265 Prospect Street, stated thank you for the opportunity to speak to you tonight. I have been in front of you many times so I guess you have heard most of what I have to say and it is probably clear to you where I stand. Just to be very clear, sometimes I, and the people who I am associated with, are put in a box of let's throw more money at the problem and that will fix the problem and that is not what I am saying. It is not what I have been saying. All I am been saying is that in the city of Manchester, our schools are underfunded. It is a subtle point, but it is an important one. If we can agree, which we should be able to do based on the facts, empirical evidence is very clear we spend less than the national average per student, we spend all but less than another other town in New Hampshire on our education. So clearly we spend less than anybody else. If we could agree that that is an important part or fundamental part of the problem, the way in which it might be funded and better, is something we could begin to discuss. I'm sure lots of blame could go around. We could look at the federal non-funding mandates. We could look at pass down of monies to the state down to the towns, etc. Again, the disconnect that Mr. Sorrentino just talked about. The disparity between city services spending and school spending. A point I want to make to you tonight is that it disturbs me that none of the people sitting at this table tonight, has looked at a budget to actually run Manchester schools this year. We have a tax cap budget and we have a qualification budget, which might, just might, get us to state standards. I use the analogy that if we happened to, as a city on Elm Street and that hotel was not functioning well and was not working as well as its peer group. We the board met every year and had the manager of the hotel come in to us; a very well-qualified manager who knows how to run the hotel and we have confidence in him. He puts forward a budget which is a tax cap budget, an arbitrary number. Then we say to him the other number we would like you to bring in is the number we require so that we comply with the health board and we won't be shut down for health reasons. You won't ask him what money do we need to refurbish the hotel, to change the linens more often, to increase the number of chefs in the kitchen and to make sure other functions in the hotel run well. The hotel is not running well. The evidence is telling us the hotel is not running well. We spend less on our hotel than all the other hotels on Elm Street. We don't have

the courage to have somebody publicly state what it costs to run a hotel on Elm Street. What it costs to run a hotel on Elm Street is X. That X, you all know, you don't need me to tell you, you all know and Dr. Brennan knows, is north of \$159 million. I leave you with those thoughts. Thank you very much ladies and gentlemen, I urge you to do the right thing.

Ms. Lisa Johnston, 6 Miami Court, stated good evening. As many of the others that have spoken here, I have been before you many times before. So I am not going to necessarily recap everything I said in the last year, year and a half, two years. Actually I have been visiting you guys since my daughter was in third grade asking you for more money and my daughter is now in eighth grade. With that being said, I think I agree with Jim; it is not necessarily more money but we keep decreasing teachers and increasing class sizes. I don't know if you guys have ever spent time in the classroom when the kids are in there and they get rambunctious and it's the middle of the school year and they can't get outside. As a teacher you have to manage these people and get them engaged to learn with less; with less paper and less pencils. You don't necessarily get the engagement from the community, the parents, the students all of those things you want to get those students to learn. Yes, we are doing okay. My daughter is doing fine, but again, as another gentlemen said, she needs help with reading and the writing piece. Again she went from two 45 minute class to one 55 minute class. She has lost time there. She doesn't have the foreign language. I know I am starting to repeat myself but I guess I just want to drive home the fact that she is losing things. She is not able to continue to grow at the rate I would like to see her grow. A lot of years ago in seventh and eighth grade I had French. I even remember a couple of words. She won't have that opportunity next year when she gets into high school. Anyway, I feel like I am babbling a little bit, but understand this, the tax cap is great. I don't necessarily want to give you guys any more money. I like to keep my money and spend it how I want, but I also want my daughter to have an education and I want the students of Manchester to have an education and one that they can be proud of. Fund our school properly, appropriately. Does that mean middle ground when negotiations come around? Sure it does. I am not blind to that, but let's respect our teachers and let's give them what they are due. Lets hope that we all work together to come to a common understand to fund and maybe so we can excel. I do feel, with the things that we have been doing, like I said for the past five years, threaten teachers to lose their jobs and then we always save them and pull something out. Last year, that didn't happen the tax cap took care of that. I am for increasing the tax cap, if it goes toward education. I don't

necessarily want it to go to the city side. So please consider that. Thank you for your time. Thank you for your service. I appreciate all that you do.

Ms. Erin Kerwin, 291 Ray Street, stated I want to thank you for giving me the opportunity to speak. I wish more people were here, but most people do not know exactly what is at stake tonight. Just as I believe that most people did not know the effects that voting in a tax cap would have. I do not believe that most people know what will happen when the schools are underfunded again. A city with a sick school district will become sick. I agree with the mayor that the new superintendent is the most important position in this city. Having a good, thriving, productive school district will bring growth and vitality to our city. Unfortunately, that is not the path we are currently on. In the past seven months, just in our tiny neighborhood of three blocks, I know of two families that have children that are just about to enter the public schools who have chosen to leave Manchester, just for a better school district. I am lucky to live in a part of the city that is very close knit that many of us do not want to live anywhere else. We have great friends and it feels like a great place to raise children. Our friends did not want to leave, they also love the neighborhood, but one of them moved to Bedford and the other to Concord and the sole reason was because of the direction our schools are going. Unfortunately with schools that are not being supported like they should, it is the one factor that will get families to leave. This saddens me for our family personally because we believe and for the health of the city... I am asking you to fully fund our schools with the larger budget in front of you. I realize by doing this that the tax cap will have to be overridden. When looking at the overall tax bill in New Hampshire, Manchester ranks ninth for having the overall lowest tax burden in the United States. In this city we pay less overall taxes than they do in Mississippi and Alabama. The national median state and local tax burden in this country is 8.5%. We, in Manchester, pay around 3.8%. I do not believe in the argument that we are taxed too much already. Low taxes are great but not at the expense of our schools, neighborhood and city. Our schools are suffering. Suffering will spread like poison through the rest of the city. Please fully fund our schools. Thank you.

Mr. Jeff Hanson, 50 Heathrow Avenue, stated I am here to talk to you like I have been many times before. We talk about the needs to do things differently in Manchester but year after year we find ourselves at the same point. Back in 2009 the city passed a spending cap. It reduced the process to a simple formula. This over simplification of the budget does not allow the leaders of our city to do what

they are elected to do; make the tough decisions about the needs of our city. That decision was made for all of you in 2009. In my opinion, the spending cap is going to cost the city far more than it will ever save us. The basic ideas I understand; keep taxes and spending low to attract people and businesses to locate in Manchester and grow the city. In my view, the spending cap actually does the reverse of this. As a spending cap makes us focus on just the needs and ignore some of the wants. Let's face it; the spending cap is not even meeting the needs of the city, at this point. The city goes further and further down, making it less attractive to people in businesses and keeping property taxes low and revenue low. By not spending on things that we need and on some of the things that we want, the city becomes less and less attractive as each budget year passes. This budget year, all of the revenue is going to the school system and I am grateful for that. But this increase is still not going to bring the schools to meet minimum state standards. The entire school year nearly every school in the city has had a classroom or multiple classrooms out of compliance or nearly out of compliance with state standards. To make the matter worse there seems to be no inclination to change that situation. I don't think the leaders of Manchester should be so presumptuous as to think that they know better than the State Department of Education, when it comes to educating children. Please consider overriding the spending cap so that the school system can at least come into compliance with state standards. It would be a positive move for the city and show it is possible to do something different. A no vote to override the tax cap is voting for the status quo, a vote to do the same thing. We talk about wanting to do something different but year after year we find ourselves in the same place.

Mr. John Bisson, 117 Shepherd Road, stated I am a real-estate attorney here in Manchester. What you do and say is being heard. We have had a parade of horrible headlines in the *Union Leader* over the past couple of months. I can tell you that people who buy and sell real estate here in New Hampshire and in Manchester are hearing you loud and clear. We unfortunately are becoming a bit of a talking point at real estate closings amongst the broker and real estate agent community. They are aware that we are having this problem with the funding of our schools system. It is getting out there. Realtors and brokers are telling people who are looking to relocate what is going on. So you are being heard. Your message is being sent loud and clear and it is time to change the message folks.

Ms. Debi Rapson, 55 Bay Street Apt. A, stated I am really glad that you are all here, even if you have to be here and you will notice that I do not have one note in my hands and I always come prepared. Always. I wasn't even going to come tonight because when I got an invitation, I thought, why. I have said it. They have said it. We have said it. A million people have said it and nobody is listening. Why bother? Then I talked to my son, who is going to graduate a year early because of the accreditation issues in Manchester and because he had 41 people in his math class this year. The one thing I have always said to him, and we have talked about it a lot as he started to look for college, look at your options. Look at all of your options. Pay attention. Ask questions. Look at the data. Figure out what the right thing is for you and do it. So I am saying that to you. Look at the data. Look at the options. Think about what you tell your own children when they go to look for a school and make your decisions. The second thing I have to say is thank you to every single teacher in this district who puts band-aids on their books and takes care of their kids. Regardless of the people who say that we don't give them a good education, we have fantastic teachers, fantastic. But how many years more are we going to have fantastic, dedicated teachers before we start to have entitled teachers who say, enough of this. Then you can get those fantastic teachers anymore. That would be the ultimate loss for Manchester. Thank you for your time.

Ms. Erin Manning, 35 Thayer Street, stated there is no greater investment that we can make than in our children's education. It is important not only to our children's future but it is also important to the future of the city. A high quality education system is essential for economic development. Businesses will not stay here, nor will they relocate and grow if your schools are failing to meet the needs of our children and families. While I believe Manchester schools provide a decent education, I, like many parents, fear we are heading down a dangerous path. Our schools have earned a bad reputation. This was fueled by the overcrowding fiasco with the greeted students when they arrived at school last fall. I do not believe that having every classroom in Manchester within state standards, for class size, is too much to ask for. Yet, at Webster, where my daughter attends, all three first grade classes are above state standards and have been since day one of this school year. Perception can be as strong a motivating factor as reality and right now, our schools are being perceived as failing, by people in and outside of Manchester. I know many good families, families we need to contribute to this community, that have moved out of the city because of the schools. That is not an urban legend that is a fact. We all understand that resources are finite but I question whether we

are allocating them in the best way possible. For example, I find it unacceptable when a district like Nashua can offer its students more than Manchester. They have smaller class sizes and offer better resources such as reading teachers for kindergarten students. What is Nashua doing right that we are doing wrong? It is essential to the reputation of Manchester that all class sizes are within state standards. Dr. Brennan's proposed budget of \$159 million will put teachers back in the classroom so that we can meet minimum standards and start down a path for improving our schools and our reputation. It will hopefully also lead us towards greater stability. We cannot have a monetary fight every year. This kind of posturing comes at the expense of our students. Please, stop this vicious cycle. We are the only city that spends more on the city side than on education; Concord, Nashua, Hooksett and Londonderry all allocate more to education than on their city or town operations side. That is because they understand that they are strengthening their future by investing in education. I have heard a lot of excuses. Officials blaming teachers and others blaming the tax cap. I have even heard some say that larger class sizes may be beneficial. During this budget cycle, I ask that we stop the blame game. I think all of us, School Board members, aldermen, teachers, administrators and taxpayers, have a responsibility to come to the table and come to an agreement that is best for the students of Manchester. I am disappointed that the School Board didn't make the difficult decision and sent two budgets to the board and left it for you to decide. That is why I urge you to make the difficult choice that they were not able to. I ask the aldermen to accept the higher budget and not shortchange the children in this city any longer and show the citizens of the city that they have the desire to make the smart investment in our schools. Thank you.

Ms. Lisa Gravel, 30 Belmont Street, stated in looking over the Mayor's budget the first thing I noticed was that the schools were receiving \$17.7 million more than the entire City's municipal departments and guess what, it is not enough. Dr. Brennan's budget thinks it should be \$21.5 million more. It is never enough. Year after year the city has the same discussion. Our cities are underfunded and how can we do this to our kids. Then at these budget sessions lots people come out and ask for more money. I don't question their concern of the education system in Manchester, but at times I find their request for money disingenuous. I have never heard them going to the teacher's unions and asking them to make concessions on their contracts so as to more effectively use the money that's allocated to the school department. Believe me, if they did get this extra money, it would go to administrations and benefit costs, not to the kids. When my budget at

home is running low, I do not knock on my neighbor's door and demand that they give me money because I do not want to tighten my belt. I make the necessary cuts and find ways to work with the money that I have available to me. Throwing more money at a problem is not always the answer especially when there is no more money to throw. To the aldermen that cry and whine about the tax cap and how it ties your hands, boo hoo. Deal with it. It is what the taxpayers voted for and it is your job to work within the constraints it puts on you. If you are not up to the job, then please do us a favor and don't run again. I know that I, personally, am looking for somebody to work on the city's financial situation and not someone to complain and blame about the evil tax cap. Most of you, on the board, are responsible for the extra \$800,000 the taxpayers are now on the hook for because you saw free money in federal grants for police officers and firefighters that had strings attached. That money has come and gone and now it is the responsibility of the City to come up with that funding. The taxpayers did not vote for that. You did. Now you have to come up with a solution, working within the guidelines available to you and one of those guidelines is the tax cap. You made the decision to take the money knowing that and still did it. You created most of these financial problems, not the evil tax cap. As far as the Charter Commission voting to pay you guys \$14,000 a year that is a complete joke. Our state reps get \$100 with no benefits and they are representing the entire state not just one city, but I do think the mayor deserves a raise. Thank you.

Mr. Bill Larkins, 245 Carnegie Street, stated good evening. I have some questions that are sort of along the lines of the legal aspects of how the city is run because we hear about the tax cap; we hear about contracts that we have with teachers and administrators and we hear about state standards. One of the challenges that I find that I hear in these debates is it appears that the tax cap trumps everything. From a legal standpoint, what I would like to know, and obviously you can't respond to me now but I would like to see it responded to in a public forum, where is the spot where we have to follow the state standards. Is that not a requirement if it is not a part of our state law? Where is it that we have to follow the contract or why does the tax cap rule all? That brings me to the notion of checks and balances. Because the tax cap seems to be the overarching thing that is running how we manage our city budget. It appears that we lack the balance in terms of what are the requirements that we want to set for our educational system and how it works. I thought Superintendent Brennan said it the other day, really well, when we were talking in front of the Charter Commission, about how we have to decide what we want our schools to look like

and then figure out how to manage, and fund them, in a way that meets those needs. The independent variable, which is a notion taught well in our Central High School math department, which is a great math department, should be what are the schools we want our city to have and the depended variable should be all of the things we need to do to get there. There is a lack of checks and balances, I believe, in this system that has a tax cap as the overarching check and there is no balance on behalf of our students. Thank you. I would like to hear that question answered somewhere in public forum; which law governs.

Ms. Lisa Frisselle, 322 Huse Road, stated I have spoken here, in front of you many times before. I usually come here with something prepared but I didn't have time to put something together tonight. First, I would like to thank all of you because I know that you jobs as aldermen, School Board members, mayor, and superintendent of schools are incredibly difficult. I want you to know that the students who go to school in this city have an incredibly difficult experience in school in their classrooms. Last September, when my daughter started her sophomore year here at Memorial, she had a classroom with 42 students in it. It was her English class and other classes were crowded too that she was in. But what she would do is text me during the class and say, 'mom, I can't take it. It is awful and I can't take it in here. It is so noisy in here. There are 42 kids in this classroom.' She said there were kids that didn't have a desk and they were sitting on the floor and it took a few months for that to get resolved. The number went down but I don't know what the exact number was. It was probably over 30. It started at 42 and lasted that way for a few months. As a parent, I am a cost accountant and I worked for this company in Manchester for 18 years, I got laid off. I had a ten minute round-trip commute, now I am working in Burlington, Massachusetts, and I have a two and a half hour commute. Last September, as this is happening, I am trying to learn a new job and as a parent of a student who is, and I am not exaggerating when I say, suffering with the conditions that they go through. Now I have to worry while I'm at work, how she is managing. There are very few communities in New Hampshire that have that problem where the parent has to worry about the conditions that their children are experiencing in the classroom, while they are at work. Three and a half years ago, I came to all of you with pictures of my daughter's books and told you that she didn't have some books and all of you, as a group, reviewed the situation and you decided that we needed to spend \$3 million to catch up and bring the classroom supplies and text books up to par. You did that but what I read in the paper is that you made the School District borrow from some other funds that the city had and pay it back

over six years. Now, what happened is the tax cap is on steroids. Now with the tax cap the first 500,000 has to pay back this loan to pay for supplies that should have been paid for years ago. The students are suffering and if they had the right to vote, I think you guys would all make different decisions.

Mr. Rodkey Craighead, 22 High Ridge Road, stated good evening members of the board. My name actually is Rodkey. That is my mother's maiden name. Some people think my parents didn't know how to spell Rodney. I stand before you here at the last minute, I think you saw us just come in. My wife was watching on TV and said, Rod would you please go down and speak to the members here about our heartfelt concerns. I think everybody knows that Abraham Lincoln had it tough too, but not all of our children are Abraham Lincoln with his wit and his ability to make it despite adverse situations. I'm here just to implore you to find every penny and every nickel you can to help ensure that our children, in this great city of Manchester, can continue to use this public education as a building block to the future so that you all know that there is a strong correlation between academic success and what we pay to educate our children. My son graduated from West. My wife, who is seated back behind me, graduated from West. I also have a son at Hillside and a son at Smyth Road, which is probably the best elementary school that I have ever been in contact with. They have great teachers, great staff and great PTO. So for you folks struggling with, lets find the money, I am here to say, do it. It is your job. Help our children as best as you can. Thank you very much. It is a tough job but that is why we elected you all. Thank you.

Ms. Barbara Nager, 420 Lowell Street, stated I didn't expect to speak today so I have my notes written on the back of the agenda. I have lived in Manchester for 24 years. I own a home and I also own a rental property. In the interest of full disclosure I also work for the School District. When I started here in 1989, I remember friends said, 'oh you are going to work in Manchester, stack them deep and teach them cheap.' They said that was the whole idea. He said they have a mill town mentality. The whole idea in Manchester is to get the kids educated at the lowest cost because they don't value education in Manchester. That is what they said in 1989. That was not my experience at all. In those years, I saw the Manchester School District become more and better respected. We became leaders in curriculum. I saw the class sizes be reasonable at that time. That was not my experience at all. I became the biggest defender of the Manchester School District. But in the last four or five years, I have noticed and I have despaired that

the decisions that have been made recently have not been educational decisions; they have been financial decisions. It has broken my heart. I love my job and I have loved working in Manchester, but the last two years have broken me. They have absolutely broken me. I see us trying to outsource our education through things like the virtual learning academy and that sort of thing, which should be an option. It should be an alternative. It should not be mainstream education. The reason it is being pushed here is because it's cheaper. When you go to really good schools, they are not using virtual learning. The best schools have very small class sizes and very engaged teachers. That is how you educate students well. The other thing that has broken my heart too is that we have lost some of the very best educators in Manchester. They did their trench work in Manchester. Then they were let go due to budget cuts. When they are let go, they do not come back because wherever they go, no matter where it is in New Hampshire or Massachusetts, they will be paid more, they will have easier students, small class sizes and they will be treated with more respect from their administration. We have lost some good teachers who would fill the shoes of some incredible educators we have who are reaching retirement age. So I would ask you, rather than taking a financial stand, take an educational stand. I would ask you to say, not that you want to meet the minimum standards, but we want to be a city in the northeast where people say, I want to live in a city and I want to live in a city with a great school department or district. I know Manchester was becoming that at one point in time and can become that again, but it would be up to you to make that decision and to make that happen. I appreciate your time. Thank you.

Mayor Gatsas advised that all wishing to speak having been heard, the comments presented shall be taken under consideration with actions by the Board.

*This being a special meeting of the board no further business can be presented and on motion of **Alderman O'Neil**, duly seconded by **Alderman Greazzo**, it was voted to adjourn.*

A True Record. Attest.



City Clerk